



# CUSTOMER REACH®

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## Third Party Quality Monitoring

All call and contact centers operate in high pressure environment. The calls won't wait. Centers constantly find themselves struggling to get everything done: meet the service level, adhere to the schedule, update the forecast, complete the agent training, deliver on the mission statement etc. Perhaps, it is not surprising that more than 41% of respondents to last years ICCM Monitoring Study III indicated that they did not have enough time to provide effective monitoring and feedback. So what is a call center to do when they know there is great value in an effective quality monitoring program, but they don't have the time to deliver one?

More and more organizations are outsourcing this activity to third party firms that complete the monitoring and provide valuable feedback that the supervisors can use to coach their agents.

The most common complaint from supervisors is that they do not have enough time to complete their daily duties. Report production, staff scheduling and meetings all require immediate attention and cannot be delayed and deferred Often the only task that can be delayed is the monitoring of the agents. When something has to give, this is often it.

To many the first thought when they hear of outsourcing quality monitoring is "how can outsource quality, it's too important". For a growing number of organizations this question however becomes, "quality is too important not to outsource it". Many organizations spend 80% of their quality monitoring process time, finding, listening and scoring agent calls and only 20% of their time actually coaching the agent. Added to the multiplicity of other tasks the supervisors complete each day this is a significant investment of time. One that further distances them from their primary job role of improving the performance of the agents on their team.

Outsourcing the collection, preparation and execution of quality monitoring can significantly improve the supervisors' ability to spend more time coaching their agents. To be valuable however the external quality monitoring must deliver high quality, detailed and actionable monitors. Further the monitors must yield results that meet or exceeds the organizations quality program standards and goals.

Companies today are increasingly employing third party quality agencies. The reasons for doing so can be many and varied: center growth outstripping the ability to monitor, temporary, seasonal or cyclic volumes can make maintaining monitoring standards virtually impossible to achieve internally, inadequate technology that cannot support the growth in calls, agents or volumes, the desire to have supervisors spend more time with the agents, the objectivity of a third party perspective and reduced costs are just some of these.

### Inside this Issue



Third Party Quality Monitoring .....	1
Building Budgets Better.....	4
Survey of the Month .....	5
Newsworthy.....	6
Ask the Experts.....	9
Inside TRG.....	9
Case Study .....	10



To be effective an external quality monitoring program must align very closely to the organization's quality program. They must deliver in the following areas:

**Consistency:**

Effective calibration is critical for the success of an external quality program. The calls being evaluated must produce the same scores regardless of whether the assessment was completed internally or externally. Assessments should not vary by the individual completing them. This level of consistency can only be achieved by investing time and effort at the beginning of the process to jointly score and assess calls with the external partner. This include the supervisors or other staff who have historically completed the monitoring. By reviewing calls, scoring them and discussing why the calls were scored as they were, works to eliminate the variances between individual scores. Once a level of consistency has been achieved, the outsource quality firm is able to begin to assess and score calls. The process of calibration should be revisited on at least a quarterly basis to ensure that the organizations remain in step.

**Actionable:**

There is dubious value agreeing that a call was a 17 out of 25 if there are no action items, areas for improvement or detail that can make the call the basis for coaching and learning. The feedback must provide coaching points and next steps. When this process works well the supervisor is able to review the call, the quality monitor, add a few questions or comments and is able to complete an effective coaching session with the agent. To include actionable coaching suggestions based upon the call monitored requires that the people completing the quality monitors possess a deep understanding of the clients' quality program, as well as quality management principles in general.

**Objectivity:**

By its very nature third party quality monitoring is more objective than that done internally. The supervisors each know their staff; will have history, opinions and feelings regarding their staff, both good and bad. In many cases some of these preconceived ideas can impact upon the monitoring they conduct. Consistently agents have said that they would rather be monitored and scored by someone independent, who doesn't know them and where they will not be pre-judged. Third party firms maintain this objectivity. They cannot allow the staff completing the monitors to become too close to the people they are monitoring. This is why it is rare to see quality monitoring agents having direct contact or joint review sessions with the agents and their supervisors.

**Progressive:**

Over time you can see an improvement in agent skills and capabilities due to training and coaching activities. The third party quality firms must demonstrate this as well. They need to have processes in place to chart and measure individual agent performance and their progress over time. Supervisors and their managers need to know this information, the assessments and associated reporting are a good forum for measuring and managing this information.

**Convenience:**

In order for any outsourcing relationship to be successful the process must be easy and convenient. Website access, recorded calls with easy playback, links to previous scores, time sequenced reporting and regular calibration sessions all create an environment that is often easier and more user friendly than was the case when the process was completed internally.

**Scalable:**

Very few call centers receive the same volume of calls day in, day out month in month out. Most have seasonal peaks and valleys. A significant portion needs to scale up and scale down agents over time. A third party quality firm must have the ability to match your firms' growth and cycles to be effective. More agents mean more monitoring, a new product or service could equate to additional monitors per agent for a period of time. To maintain the validity of the quality process they must be able to scale quickly and effectively.

The rise of outsourced quality monitoring signals another demonstration that specialization can yield huge benefits for organizations that don't the resources, technology or inclination to do the work themselves. Many of the companies who are employing outsourced quality tell of how they have improved the effectiveness of their quality programs and gained too many value added benefits to ever go back.



Is outsourced quality monitoring for you, take this test

1. What percentage of your supervisors' time is spent on paperwork and other tasks that do not directly impact agent quality?
  1. More than 75%,
  2. More than 50%,
  3. More than 25%,
  4. Less than 25%,
  
2. How much time do your supervisors actually spend each week coaching each their staff?
  1. Less than 10 minutes per week,
  2. less than 15 minutes per week,
  3. less than 30 minutes per week,
  4. More than 30 minutes per week,
  
3. In the past six months have you ever had a month where the number of monitors per month required by the Quality standard wasn't met,
  1. Yes,
  2. No,
  
4. In the past year have you ever had to reduce the call monitoring standards or suspend the program due to the call volume or staff increases,
  1. Yes,
  2. No,
  
5. Have you ever had an agent complain that they think they received an unfair score due to their personal relationship with their supervisor?
  1. Yes,
  2. No,
  
6. Has your growth outpaced your technology and caused you to be unable to monitor as many calls as you would like to?
  1. Yes,
  2. No,

If you answered '1' to four or more of these questions then run, don't walk to your manager and discuss examining outsourcing your quality monitoring to improve your overall quality program.



If you answered '1' to three or more of these questions then you should look at how outsourced quality monitoring could assist your organization to get back on track.

If you answered '1' to two or fewer of these questions then you may still wish to look at outsourcing your quality, but first should take a good look at other issues, roles and responsibilities within your center and the quality standards you have set.

We would love to hear your thoughts and comments on this article. Please let us know by emailing us at

[customer@thetaylorreachgroup.com](mailto:customer@thetaylorreachgroup.com) .



## Building Better Budgets

It's September and almost everyone is back from vacation. Many of us now face building a budget for the next fiscal year. A task that few people look forward to, and many dread. For some the budget development process consists of what was last years, let's add X% depending on expected growth or decline or corporate edict. That's it, process is over. This article is for the rest of you.

Each center is unique and therefore each budget must be tailored to fit the circumstances that each center faces. Experience shows that there are many common elements in every center budget. No single approach to budget development works for every situation. However, there are enough parts in common that everyone can learn from what has worked well elsewhere. Take the best and bend them to your circumstances.

In preparing a budget a few key items are needed: an 'agreed to' projection of demand (calls, email, white mail, other work), service level requirements, staff profile and turnover statistics, compensation model (annual increases, merit, risk/reward), upcoming or existing projects defined and expected, capital expenditures for equipment or technology, extras and items unique to the center and its management.

Of these items the first three account for the majority of the effort. Staff account for 65 to 80% of most centers budgets. Staff is where to start since the number of staff needed is a function of the work (demand) to be done. It is a good practice to have senior management regularly agree and sign off on a projection of work in advance of the budget and whenever reality is at variance to the forecast. If this is done and reviewed every three to four months then management will find it hard to argue that this or that is not accounted for in your budget. Since these projection reviews are done outside and independent of the budget process cycle it reduces angst and worry and can be dealt with in a frank, open and objective manner.

These periodic reviews should also include discussions with any departments that influence or generate episodic work. The classic is the sales and marketing departments. Remember to check with the billing, accounting and logistics. Inquire whether or not they have projects, events or circumstances that need to be accounted or prepared for. Remember overestimating what is required is just as bad as underestimating...both are wrong. By asking lots of questions and getting everyone's input, a consolidated view of what the center can expect, is generated and is more likely to be a robust starting point for building the budget. The objective is to build a budget that adequately accounts for normal business and highlights both growth and other changes with allowances for variation.

Once the demand or work is known, calculate the number of hours needed to do complete the work under the operating parameters achieved over the last year. A caution here, do not fudge this or say we will/might/hope to get better. Project, the future, using actual results. Only where there are exceptional circumstances should you deviate; and if you do ensure that this is surfaced and explained in the budget and projection documents for all to know. Use some of the many calculators out there to project the number of people required to handle the expected work volume by period. Add the hours by period to estimate the total hours of work required to meet the service levels.

Now you have a net number of hours needed to complete the work. Add to this; allowances for: absence; on-going training; vacations; special projects; non-demand based work; overhead and clerical work done in the center. These are either available from accounting or HR. Where possible use actual not estimates. It provides for a more robust budget.

At this point some of you will be asking "How many people do I need?" That is more a function of the configuration of the working and budget models that your organization demands. Call center budgets are best run using a full time equivalent (FTE) versus a headcount model. This helps account for the use of full/part-time, seasonal, contract and other variants that enable optimal



staffing to meet the wide variations of demand in call centers. A quick estimate of FTE's can be made using the total net hours divided by either 1950 or 2000. 1850 accounts for a 37.5 hour week and 2000 weeks for a 40 hour week.

Use the turnover averages for the last two years to estimate the number of new staff likely to be required. Of course if you know or expect to lose staff to the new Wal-Mart or a new call center up the block, you will need gross up those numbers. Calculate the number of training hours, reduced effectiveness and call handling rates (lower resolution rate, higher AHT, etc.,) for new staff for the first few periods, and add hours for the trainers and or reduce supervisory hours available.

At this point you have made a comprehensive calculation of the staff time needed to do the work under normal circumstances. Look at the minimum and maximum loads based on the scenarios provided by the sales, marketing, finance and other contributors or factors influencing of demand. Use these to develop a high and low budget around your "normal" one to present as the draft. This shows how the center will handle the contingencies and their effect on the overall budget and the key factor being of course, staff.

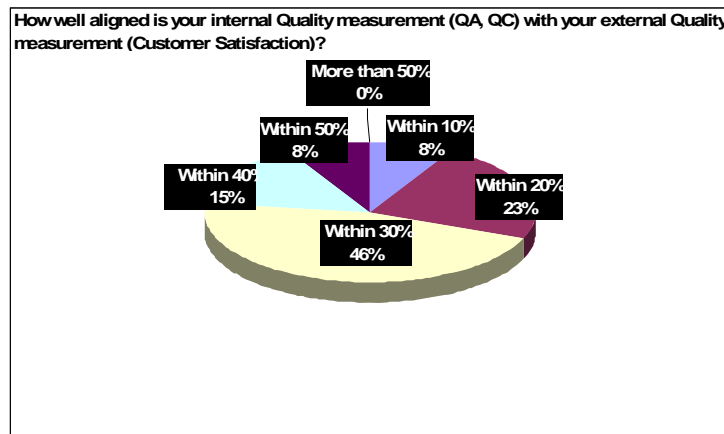
Now add special projects, capital expenditures, provide estimates of changes to the "normal" projection based on project or new equipment being added, when and if these happen. Do this only at the end. All too often budgets are wrecked because we all want to believe that the equipment/project/changes to process/new IT etc will be installed, work perfectly, on schedule, to help us meet our numbers etc. DON'T Count on it. 85% of the time it won't. Projects will be delayed. Crap happens. Plan for it.

There is an old adage that "Proper Planning Prevents Poor Performance". A budget is a plan. Other people count on it. It is up to you to provide the most reliable plan that accounts for what you see happening and what you have been asked to provide in terms of service to the customers. By calculating the staff required to achieve the service, by accounting for all the reductions to that capacity, by knowing what service level is required, and by identifying the variables and risks that can impact on the call center you can plan to achieve the goals set out. You can plan for success. Better budgets are the tool. Better planning and communication are the means to meeting and maintaining the service levels everyday of the year.

We would love to hear your thoughts and comments on this article. Please let us know by emailing us at

[info@thetaylorreachgroup.com](mailto:info@thetaylorreachgroup.com) . 

## Survey of the Month





We received more than 100 responses to our last poll.

#### Survey Results:

Most organizations see a variance of approximately 30% between their internal and external measures of Quality. In this month's survey we examined the alignment of those organizations who participated in the survey. 46% of the organizations participating saw a variance of less than 30% between internal and external quality. Almost a quarter saw a variance of less than 20%. 15% of respondents were within 40% and 8% were within 10%. The survey results appear to support our previous research.

Visit the TRG website [www.thetaylorreachgroup.com](http://www.thetaylorreachgroup.com) and weigh in on this month's survey: Do you have an idea for an upcoming poll? If so we would love to hear it. Please email your suggestions for future surveys to [feedback@thetaylorreachgroup.com](mailto:feedback@thetaylorreachgroup.com)



## Newsworthy

In this regular column we review the latest news, predictions and trends impacting on the Call Center / Customer Interaction Industry.

### One in two coaches suffer from lack of supervision

Nearly one in two coaches have said they do not receive enough supervision from managers, according to a new report. A survey by the Chartered Institute of Personnel and Development (CIPD) has highlighted a need for greater use of supervision in the workplace, and the development of good practice coaching supervision. Despite a dramatic growth in the use of coaching in contact centres in recent years, very few companies are using supervision to support their teams. According to the research, less than a quarter (23 per cent) of organisations who use coaching are providing coaching supervision. Eileen Arney, CIPD coaching adviser, said: "Supervision is really only beginning to be established in the coaching profession. We know that it can yield enormous benefits for coaches, for their clients and for the organisations which employ them. There is a growing minority of coaches and organisers of coaching who are committed to developing models of supervision which meet the needs of the coaching profession." Arney added: "This research has shown what organisations need to do to get maximum benefit from their coaching services."

eCCF

### UCC Tries Out Call Centre Business

Uganda has taken a step to gain a slice of its own from the enormous Western world's call centre outsourcing business that is already generating vast opportunities in the economies of several countries in the developing world.

Frustrated at how little the country's private sector's efforts to tap into this exploding bonanza has been, the Uganda Communications Commission, (UCC), has now decided to intervene directly, by way of contributing towards building and harnessing primary capacity that would then form a springboard for the private entrepreneurs wishing to venture into call centre support operations.

Even then, UCC's efforts are still elementary; their fruition might lie years away. But they may well be considered a crucial and pragmatic move towards achieving the goal of effectively partaking in the global outsourcing enterprise.

The intervention involves establishing a pilot call centre project in Kampala, run by a private company for about five years.

AllAfrica.com

### Consumers welcome outbound calls, just not telemarketing

Nine out of ten consumers in Australia, New Zealand and Singapore welcome outbound contact centre calls, provided they are not from telemarketers, according to new research.



The Genesys survey, released today, found that consumers welcome "proactive outreach", especially when it is meant to build loyalty. It also found that multimedia, text messaging and chat are emerging as new communications channels for one in five consumers, and are increasingly becoming a requirement for contact centres. The vast majority (86%) of those surveyed said they would be happy to communicate with a company via email and 40% said email was their most preferred method of communication.

The research showed that 44% of respondents believe that customer service has the biggest impact on their loyalty towards a company, and 74% would do business with a company based on a great contact centre experience. Conversely, 67% say that they would stop doing business with a company due to poor customer service. "What is increasingly apparent is that the contact centre is now the principal point of engagement between an organisation and its customers," said James Brooks, senior vice president, Asia Pacific, Genesys. "The smart firms such as certain US banks have realised this for some time and are engaging their customers not only via phone but also through emerging channels including SMS and web chat."

**Callcentres.net**

## WFM processes, practices and software under-utilised

While workforce management software (WFM) is now a feature of many contact centres, most still are still yet to realise its potential.

Contact Center Workforce Management Practices, a new report sponsored by Witness Systems and Pipkins, Inc, and conducted by Customer Relationship Metrics, found that 37% of users were not satisfied with their workforce management process, while 41% were not satisfied with their workforce management software. The US report found that while 88% of respondents used WFM software to support scheduling, 52% do not use it to support performance reporting and 25% are yet to use it for forecasting.

WFM users placed a greater emphasis on accessibility metrics like service levels, average speed of answer, and the percentage of calls abandoned, than they did on efficiency such as agent occupancy and agent utilisation, or workforce management effectiveness including agent adherence, forecast accuracy and schedule accuracy metrics.

**Callcentres.net**

## AT&T 'insourcing' 2,000 jobs

SAN ANTONIO, Sept. 21 (UPI) -- An agreement between AT&T Inc. and a key union has paved the way for the U.S. company to return some 2,000 previously outsourced technical support jobs.

The Communications Workers of America and AT&T negotiated wages, benefits and duties for the positions in a contract that expires July 21, 2007.

Beginning next year, more than 800 new jobs will come under CWA representation, with more to be returned to the United States from foreign call centers starting sometime later in the year.

The jobs, which have been outsourced both domestically and overseas, are related to supporting AT&T's DSL customers who self-install their service or have other basic questions about the service, AT&T said Thursday.

The company is assessing where to locate the jobs, which will be added to the AT&T payroll by the end of 2008.

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31 Barr Road, Suite 2 Ajax, Ontario L1S 3Y1





## Ask the Experts

The following are actual questions posed to the TRG experts. You can pose your questions on our website.

### *Leaving Voicemail Messages*

#### **Question:**

“We are an inbound sales team generating qualified sales appointments for our Sales force. We get a lot of voicemail when we place our calls and I wanted your opinion on whether or not we should be leaving a message or simply trying to reach the contact later?”

Lynn


#### **Expert Response:**

Unfortunately not every prospect we speak with will be sitting and waiting to speak with us. As a result we will get voice mail, frequently. Voice mail provides an opportunity for us to leave a positive message about our company and our services. A good voice mail message will increase the likelihood that the prospect will take our call the next time we call.

People often ask if we should leave call back numbers and generally this is not a good idea. The role of Inside Sales is to place calls not to receive them. If the prospect does call us then we are likely to be on an outbound call, so we won't speak with them. The alternative is to make fewer outbound calls to increase our availability for returned calls. This simply reduces the effectiveness of the team and will fail to meet the performance targets that the company has set. It is better to suggest that we will call them back or in the lead generation scenario to offer the SALES REP phone number.

The voice mail script should include all of the elements of a call presented in a brief and logical flow. In the scenario we have been using this could look like this;

“Hello Mr/s \_\_\_\_\_ this is AGENT NAME from ABC Inc.. I am calling you today because I understand that you are the person responsible for \_\_\_\_\_ and \_\_\_\_\_ decisions at XYZ, Inc. As you may know ABC is the largest \_\_\_\_\_ in the mid west and we believe that we can offer superior service. REP NAME has asked me to call you to set up a brief meeting to discuss how we can assist XYZ, Inc. I will give you a call back later this week to discuss or if you prefer you can call REP NAME direct at 501-555-1212. Thank you and have a good day”

How would you have answered this question? Let us know at [feedback@thetaylorreachgroup.com](mailto:feedback@thetaylorreachgroup.com) 

## Inside TRG

### **A Voice For the Customer -**

The recent ICSA seminar “A Voice For the Customer” generated a lot of buzz on September 14<sup>th</sup> in Toronto. The session was presented by TRG staffers John Cockerill and Colin Taylor. The session was very well received with audience evaluations over 90%. Copies of the presentation are available from the ICSA web site at [http://www.icsa.on.ca/new\\_whitepapers.aspx](http://www.icsa.on.ca/new_whitepapers.aspx) or from TRG directly, just email [info@thetaylorreachgroup.com](mailto:info@thetaylorreachgroup.com) and we will send you your copy.

### **What are your Excel contact center questions?**

As we have discussed previously TRG principals John Cockerill and Colin Taylor are writing a book with Bill Jelen (Mr. Excel) and in this book we will be addressing call and contact center challenges that can be solved using Excel. We would love to hear from you regarding your challenges and problems that you think we may be able to solve using Excel. So please send us an email at [customerreach@thetaylorreachgroup.com](mailto:customerreach@thetaylorreachgroup.com) and let us know your own pet peeves, problems and puzzles and we will try to solve these.

### **Upcoming Events- Contact Center Summit**

TRG will be in Fort Worth Texas, October 22<sup>nd</sup> to 24<sup>th</sup> attending the Marcus Evans Contact Center Summit. As a regular attendee I can tell you that out of the literally hundreds of conferences we get invited to each year, it is one



of the best and one of the few we attend. The caliber of speakers and delegates is superior to any other show I have attended so far this year. I would encourage you to visit the website and check it out for yourself at

<http://www.contactcentersummit.com> . 

## Case Study

### *TRG proves concept for marketing firm*

TRG helped an established marketing company dramatically reduce their sales costs through the implementation of a telesales program.

#### **The Challenge:**

This very successful marketing firm has historically sold participation in their program through the use of a field sales force. Company management wished to improve their sales efforts and asked TRG to suggest how this could be done. TRG assessed the process and recommended the creation of a telesales team to generate and qualify sales leads and even sell the product where this was possible. The client didn't wish to make significant changes to their operating model until the concept was proven and asked TRG to prove the concept.


#### **The Process:**

TRG worked with the marketing and management group and developed an effective script and support materials and began to contact the prospect database. The majority of prospects had previously been approached by the sales force without success.

#### **The Solution:**

TRG managed the training, calling and regularly reviewed progress with the telesales staff. The script required a number changes and modifications which were made over the first few weeks. Calling was intentionally kept to a low volume until the kinks were worked out of the script.

#### **The Result:**

By the end of the 'Proof of Concept' phase more than 30% of the prospects were opting into this program. This conversion rate was far in excess of the level required to consider the program a success and the fact that most of these new enrollees were previously not interested testifies to the power of the approach taken. 



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Customer Reach

31 Barr Rd,

Suite 2,

Ajax ON

L1S 3Y1

Phone - 905-426-5055

Fax - 905-426-6793

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**TRG are proud members of:**



**The Taylor Reach Group, Inc.**

31 Barr Road

Ajax ON

L1S 3Y1

Phone: 905-426-5055

Fax: 905-426-6793

E-mail: [info@thetaylorreachgroup.com](mailto:info@thetaylorreachgroup.com)

**[www.thetaylorreachgroup.com](http://www.thetaylorreachgroup.com)** 